

State of Utah

School and Institutional TRUST LANDS ADMINISTRATION

Jon M. Huntsman, Jr. Governor Kevin S. Carter Director 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818 801-538-5100 801-355-0922 (Fax) http://www.trustlands.com

September 14, 2005

Mr. Gary Burningham Burningham Enterprises P.O. Box 974 American Fork, UT 84003

RECEIVED

SEP 15 2005

DIV UI VIL LAS & MINING

RE:

Mammoth Ridge Trespass

T37S, R5W, Section 6, W2SW4, SLB&M

Dear Mr. Burningham:

On August 9, 2005, I notified you by letter that Burningham Enterprises has opened a quarry in trespass of state trust lands upon Mammoth Ridge, in Garfield County. I advised you of the penalties provided by law and asked you to submit a complete accounting of all materials mined from the site.

On September 2, 2005 you submitted a statement of production from the Mammoth Ridge site and a check in the amount of \$41,253.00, @ \$1.00 per ton. It is not clear whether your payment is for the entire tonnage of materials mined from the site or whether you have any unpaid stockpiles on hand. Please submit a written statement of any unpaid stockpiles, whether on-site or off-site.

I suggest that you meet with the Trust Lands Administration as soon as possible to further discuss the trespass and the possible issuance of a mineral lease. Please call for an appointment. Meanwhile, no further activity by Burningham Enterprises is authorized upon these lands.

Sincerely,

John T. Blake

Mineral Resources Specialist

CC: Doug Jensen-

Tom Faddies

Utah!